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Navajo leaders respond to decision by Navajo Generating Station owners to remain in operation until 2019

WINDOW ROCK – On Monday, the owners of Navajo Generating Station voted to continue operations of the power plant until the end of its current lease agreement with the Navajo Nation, which expires in December 2019. NGS owners had considered the possible closure of the power plant as early as this year, due in large part to the low cost of natural gas compared to coal.

Speaker LoRenzo Bates said that while Monday's vote provides positive stability, Salt River Project and the other owners must continue working with Navajo leaders to develop long-term solutions that take into account the potential loss of revenue and jobs, and the economic impact that a shutdown would have on the entire state in 2019.

"Today's decision is the first step in the right direction for all stakeholders," said Speaker Bates. "As leaders of the Navajo Nation, we are very concerned about the workforce – the hundreds of Navajo families that make a living from NGS and the many more jobs and revenues that are created from secondary markets. The benefits of NGS go well beyond the Navajo Nation and extend throughout the state of Arizona."

On Feb. 2, Speaker Bates and Hopi Tribal Chairman Herman G. Honanie issued a joint press release calling on Salt River Project and the other owners to keep Navajo Generating Station in full operation.

NGS and Kayenta Mine, which provides coal to the power plant, provide significant revenues and many jobs for both tribes. Combined revenues from both operations provide more than 80-percent of the Hopi Tribe's general fund budget and over 30-percent of the Navajo Nation's annual revenues.

The Navajo Nation has developed a task force, which includes the chairs of each of the Navajo Nation Council's Standing Committees, to meet on a regular basis with SRP officials. The task force is working with SRP to assess the options to address Monday's decision – whether through a lease extension, lease modification, or another avenue – to find an appropriate solution.